INDEX OF RESEARCH PROPOSAL

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Introduction

The emergence of the World Wide Web and the subsequent technological advancement has provided the modern-day consumers access to a variety of media channels that enable them to communicate freely with firms and other consumers (Lemon & Verhoef, 2016). These digital media channels (e.g., social media platforms, search engines, emails and so on) have supported the growth of digital marketing through which firms are able to better engage with potential customers to sell their products and services (Kim, Kang, & Lee, 2019). Digital marketing may be defined as "a sub-branch of traditional marketing that uses modern digital channels for the placement of products and primarily for communicating with stakeholders e.g. customers and investors about brand, products and business progress" (Simply Digital Marketing, 2012). It can also be called e-marketing, as it involves online advertising to reach out to customers in the form of pop-up and side panel ads; email and video sharing websites (Smith, 2011) and it can safely be called the most promising development for marketing in the upcoming decade (Okazaki, Katsukura, & Nishiyama, 2007). Tiago & Veríssimo (Tiago & Veríssimo, 2014) have noted that with the migration of real-world relationships to a more nebulous, virtual world, there is a change in the behaviour of consumers that has made it unavoidable for firms to realign their marketing strategies in the context of the digital domain.

Exponential growth of social media has further fuelled the growth of digital marketing. The use of social media is on a rise and it is expected to increase further, with 3.02 billion estimated monthly active social media users worldwide by 2021 (Statista, 2019). Such widespread use of social media platforms has opened opportunities for firms to reach a large number of people in quick time to cultivate brand-consumer relationships (Gao & Feng, 2016). Advertising spends on Digital media is expected to grow at a CAGR of 27.42% to cross the Rs. 50,000 crore mark and reach industry size of Rs. 58,550 crore by the end of 2025 (Dentsu Aegis Network, 2020). The dominant growth factor of Digital comes from the proliferation of smartphones, backed by cheap data plans (Dentsu Aegis Network, 2020). Firms offering retail financial services and products to individual investors and small businesses have also joined the bandwagon and have included digital interface as an integral part of the sales strategy.

A brief landscape of digital marketing domain in terms of enablers and channels adapted from Warokka, Sjahruddin et al. (Warokka, Sjahruddin, Sriyanto, Noerhartati, & Saddhono, 2020) is presented in Figure 1.1. The enablers represent technological features, affordances and advances that support the digital marketing effort. Channels represent the ways through which the marketing and promotion takes place such as social media platforms.

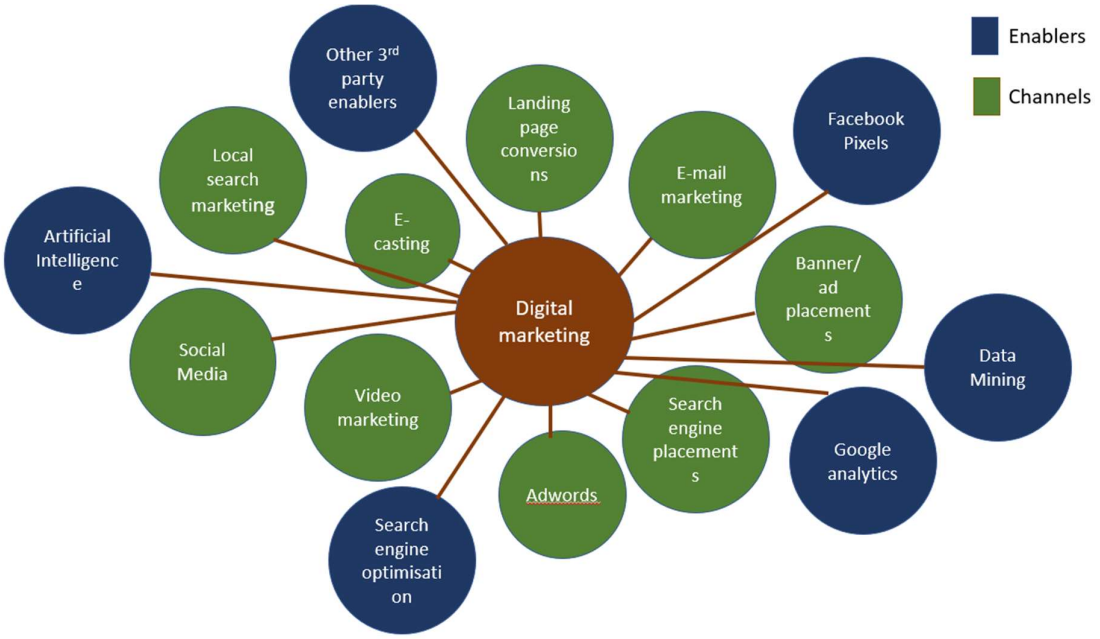

Figure 1.1: The digital marketing landscape

Source: Adapted from Digital Marketing & Business using online Marketing Tools : An Experimental Analysis, Ari Warokka, Herman Sjahruddin et al, International Journal of Psychosocial Rehabilitation, Vol 24, 2020

1.1. Consumer resistance

Technological advancement has resulted in the evolution of consumer behaviour through 'digital metamorphosis' leading to the formation of 'Digital Consumer Culture', which is a novel and largely unexplored area presenting fertile ground for academics, researchers, and practitioners interested in understanding this unfolding phenomenon (Editorial introduction, 2020). 'Digital natives' have different expectations about life and learning (Cowey & Potts, 2018), since they have grown in the world where digital is a norm.

Social media changes the way companies do their marketing activities, bringing new challenges and benefits. When used incorrectly or by unskilled professionals, digital marketing can affect companies negatively (Editorial introduction, 2020). In the context of any product or services offered to consumers, the marketers and service providers are interested in knowing more about two key factors. First, why do people buy? Knowing why consumers have adopted a particular product or service can help managers work toward promoting loyalty of the existing customers and also design their sales pitch to convince potential users. Second, why people do not buy? Knowing why people are not buying a particular product or service is crucial in increasing adoption. In fact, one of the challenges in the use of digital marketing is the resistance of the consumers to adopt or accept products and services marketed using digital platforms, particularly social media.

A negative response or unwillingness to try a given product or service innovation is called consumer resistance (Tansuhaj, Gentry, John, Lee Manzer, & Jin Cho, 1991). Consumer resistance is an essential dimension of consumer behaviour as it can impede the adoption of any innovation, thereby affecting its success or failure (Heidenreich & Kraemer, 2016). In fact, resistance is a natural response of retail consumers toward innovations (Kaur, Amandeep, Singh, Sahu, & Almotairi, 2020).

High rate of failure of new goods and services generates the need for businesses and service providers to have a firmer grasp on the phenomenon of retail customer resistance and of the factors that contribute to resistance (Antioco & Kleijnen, 2010; Heidenreich & Kraemer, 2016). The problem of resistance toward digital mode is even more serious in the case of financial products. Retail consumers may not feel comfortable buying financial products and services through online interface. Thus, there is an urgent need to deeply examine the causes of consumer resistance to financial products and services marketed digitally.

1.2. Literature Review

In order to better understand the topic at hand, a comprehensive review of literature was undertaken. The same is presented herein from two perspectives. First perspective pertains to consumer's resistance to digital innovations as a whole, and the second perspective focuses on resistance to digital and social media marketing with respect to financial products.

1.2.1. Consumer resistance to digital innovations

A review of literature was undertaken using formal methodology of systematic literature review (SLR) by the researcher, and published in a Scopus-indexed journal (Talwar, Talwar, Kaur, & Dhir, 2020). The review revealed that consumer resistance remained side-lined as a concept for quite some time. However, pioneering research undertaken by Ram & Sheth (1989) underscored the fact that to better understand failure of various innovations, consumer resistance needs to be examined in greater detail. Ram & Sheth (1989) described consumer resistance as a resistance offered to any innovation due to it conflict with their existing belief structure or their preference to maintain status quo. Such resistance gets manifested through various barriers. Various scholars have also defined consumer resistance as an inherent inertia and tendency of continued adherence to status-quo and manifestation of resistance to change (Mani & Chouk, 2018). Contributing to better explicating the concept, other scholars have described consumer resistance through phrases such as lack of willingness to try any innovations, responding negatively to innovations, absence of motivation to try innovation and so on (e.g., Antioco & Kleijnen, 2010; Tansuhaj, Gentry, John, Lee Manzer, & Jin Cho, 1991). In addition to defining consumer resistance from varied perspectives, the existing literature has classified and discussed resistance along various dimensions, mainly arguing on levels or degrees or intensities in which it manifests, as elaborated below:

1) Some prior studies (e.g., Kleijnen, Lee, & Wetzels, 2009) have discussed resistance in terms of following three levels:
    a) *Opposition*: Implies a strong negative feeling towards an innovation.
    b) *Rejection*: Means a simple refusal to accept the innovation
    c) *Postponement*: Implies a delay in the decision to accept/reject the innovation.
2) Scholars (e.g., Ram & Sheth, 1989) have also discussed consumer resistance in terms of:
    a) *Inertia*: Implies the adherence to the status quo/existing practices
    b) *Active resistance*: Negative response to innovation on account of being perceived as risky
    c) *Strong, active resistance*: Strong opposition to innovation on account of being perceived as inappropriate
3) From perspective of pre- and post-evaluation of the product/service, consumer resistance has been classified by prior studies (e.g., Heidenreich & Kraemer, 2016; Heidenreich & Spieth, 2013) as:
    a) *Active resistance*: Active resistance is a negative or an adverse attitude towards a new product/service after its evaluation by the consumer. It has overt undertone, which

results in the negative attitudes formed by psychological and functional barriers at the stage of evaluation itself (Heidenreich & Handrich, 2015)

b) *Passive resistance*: A mental bias of consumers to resist the innovation before even making an evaluation of it. This mainly comes from tendency to maintain the status quo, that arises unconsciously, before a product/service is evaluated by consumers. (Heidenreich & Handrich, 2015)

The undertaken review of literature has also brought forth various theoretical frameworks used by the prior studies that have examined resistance by consumers to digital innovations. Innovation resistance theory (IRT) (Ram & Sheth, 1989) has been the most frequently theory, with approximately 55% of the studies reviewed by Talwar, Talwar, Kaur, & Dhir (2020) using it to examine consumer resistance. The past studies have applied IRT in combination with other theories such as Technology Adoption Model (TAM), Unified Theory of Acceptance and Use of Technology (UTAUT) (e.g. Oh et al., 2019; Soh et al., 2020), Status Quo Bias (SQB) (e.g Mani & Chouk, 2018), Behavioural Reasoning Theory (BRT) (e.g. Gupta & Arora, 2017), and the Big Five Personality Factors Model (e.g. Lissitsa & Kol, 2019). Of the remaining studies reviewed herein, 40 % utilised various other theories to understand consumer resistance. These theories include the Diffusion of Innovation (DOI) (e.g. (Jahanmir & Lages, 2016)), Means-end Approach (e.g. (T. Kuisma, 2007)), Dual-factor Perspective (e.g. (Chouk & Mani, 2019),) and Generational Cohort Theory (Lissitsa & Kol, 2019).

These theories focus on theoretical concepts as described below:

Innovation Resistance Theory (IRT): IRT explains consumer resistance through five barriers (functional and psychological).

Technology Adoption Model (TAM): It is one of the most widely used theories of technology acceptance which comprises variable such as perceived ease of use and perceived usefulness.

Unified Theory of Acceptance and Use of Technology (UTAUT): It is a popular technology adoption and diffusion theory used by researchers to examine intentions and behaviour of consumers. Some of the key variables proposed by this theory are performance expectancy, effort expectancy, and social influence.

Status Quo Bias (SQB): This theory explains the behaviour of individuals related to their preference for things to stay the way they are or their tendency to stick to a decision previously made regarding the use of products/services.

Behavioural Reasoning Theory (BRT): It is a theoretical framework that provides an insight into the relative impact of both the 'reasons for' and 'reasons against' on attitude, intentions and actual behaviour of consumers.

The Big Five Personality Factors Model: This model includes five-factors, namely, extraversion, conscientiousness, openness to new experience, agreeableness, and neuroticism representing personality traits that may act as predictors of consumer behaviour in different contexts.

Diffusion of Innovation (DOI): This theory proposes the reasons why consumers develop positive intentions towards innovation through variables such as relative advantage, trialability and so on

Means-end Approach: This theory provides an understanding about how attributes of products/service help consumers' in the achievement of their desired end-states. It also helps in better explaining why certain products/services are not chosen by consumers.

Dual-factor Perspective: It explicates the consumer behaviour in terms of technology usage, elucidating both the facilitators and the inhibitors of adoption.

Generational Cohort Theory: It offers a way of segmentation of population by defining generational cohort on the basis of year of birth, with each cohort usually having a duration of 20-25 years.

A close look at the research profile of the existing literature in the area of consumer resistance to digital innovation in terms of number of publications over the years, geography of focus, methods of research and the variety of products examined reveals several interesting trends and research gaps. As presented in Figure 1.2, it can be seen that 53% of studies related to resistance to digital innovations have been undertaken during the past 4 years (2016 to 2020), clearly showing that consumer resistance as an area of study is gaining importance, confirming the rising academic interest in the area (Talwar, Talwar, Kaur, & Dhir, 2020).

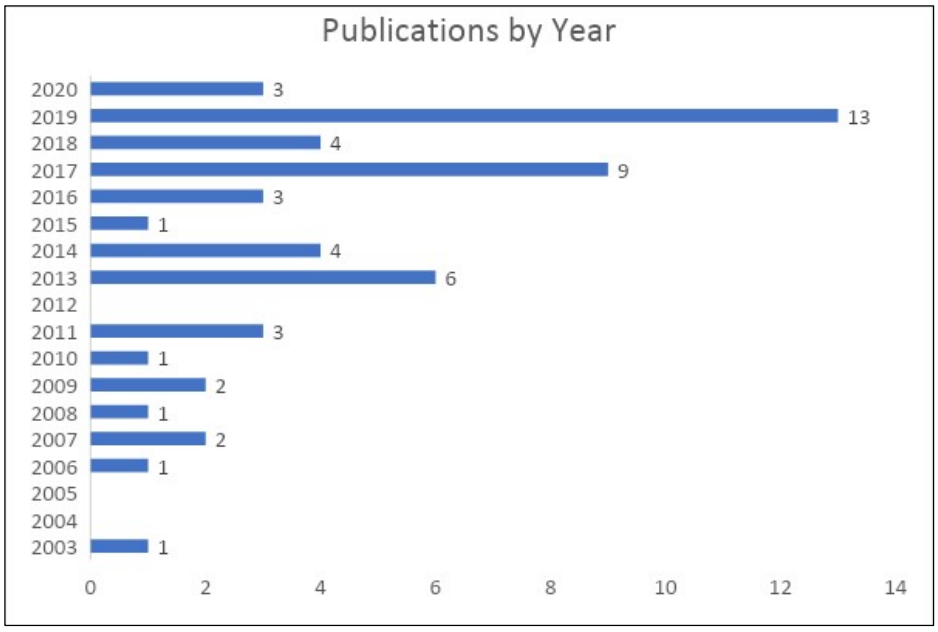

Figure 1.2: Research publications by year
Source*:* Talwar, Talwar, Kaur, & Dhir (2020)

Next, the existing evidence with regard to the geographies where the prior studies have been undertaken is presented in Figure 1.3. It reveals that 45% of the past studies have been conducted in Asia. This indicates the possibility of the existence of higher consumer resistance toward digital innovations in these countries, which is attracting researchers to undertake related studies.

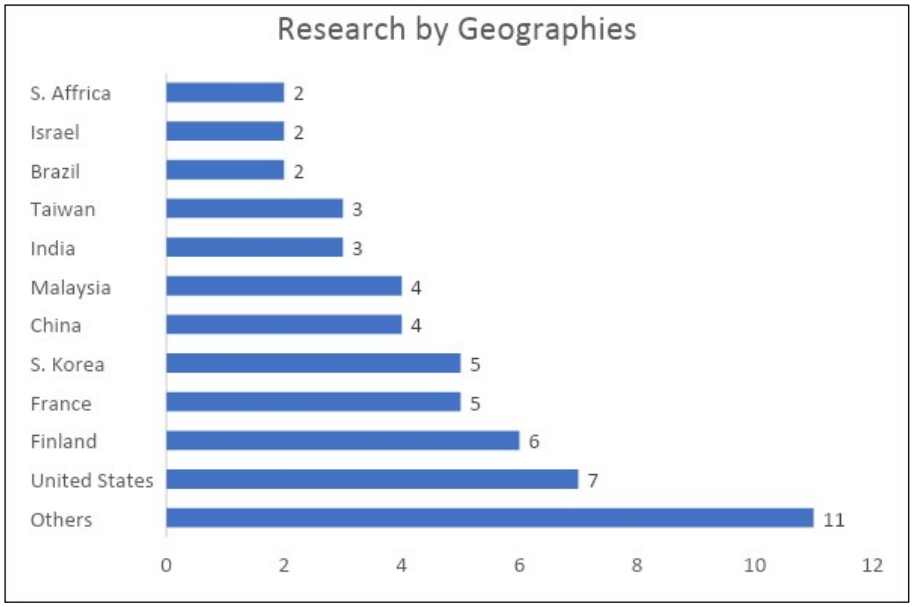

Figure 1.3: Research by geography

Note: Others include Germany, Denmark, Greece, Japan, Netherlands, New Zealand, Pakistan, Egypt, Spain, Thailand & Tunisia
Source: Adapted from Talwar, Talwar, Kaur, & Dhir (2020)

Figure 1.4 exhibits the digital products and services examined by prior studies in terms of consumer resistance. The figure reveals that more than 50% of the studies focussed on consumer resistance to digital payments and e-commerce/m-commerce. Interestingly, despite its growing importance, consumer resistance to digital marketing as an innovation, as well as their resistance to financial products and services sold digitally has remained unexplored. This is a visible gap in the literature since anecdotally it has been mentioned in media, time and again, that consumers have shown resistance to digital marketing as well as buying financial products through online interfaces.

In sum, it can be seen that the accumulated findings on consumer resistance are quite limited with regard to digital innovations, with research remaining confined to examination of factors constituting consumer resistance to wearables, smart services, convergence products, e-books, mobile social commerce and so on (e.g. Hew et al., 2019; Talwar, Talwar, Kaur, & Dhir, 2020). There is also a lack of understanding about the issue of slow diffusion and late adoption of digital innovations (Jahanmir & Cavadas, 2018).

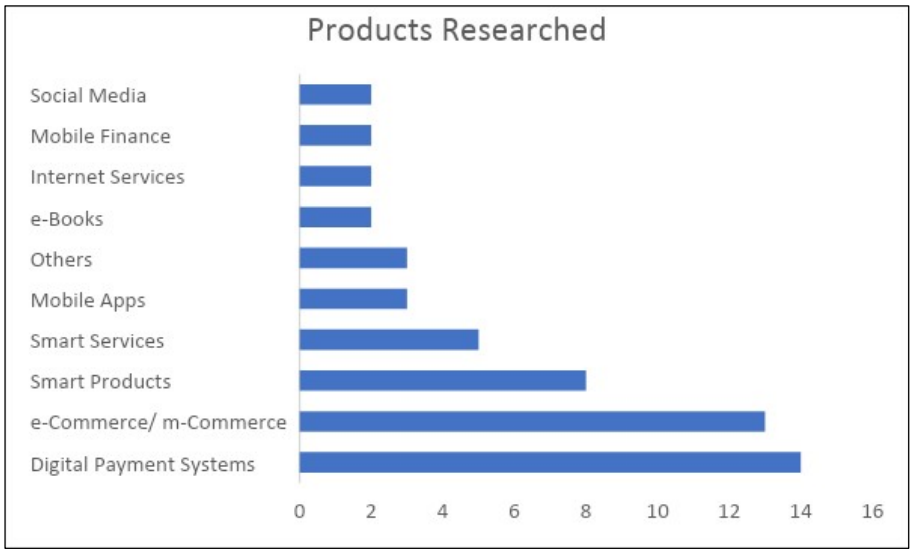

Figure 1.4: Product Spread for research

Note*:* Others include convergence products, information and communication, apps and web browsers
Source: Adapted from Talwar, Talwar, Kaur, & Dhir (2020)

1.2.2. Consumer resistance to digital marketing of financial products and services

The Digital Marketing Institute (DMI) refers to digital marketing as "The use of digital technologies to create an integrated, targeted and measurable communication which helps to acquire and retain customers while building deeper relationships with them" (Smith, 2007, in Wymbs, 2011, p.94). Digital marketing may take the form of search engine optimization, social media marketing, content marketing, e-mail marketing, data-driven campaigns and influencer marketing, to name a few (Arthur, 2013).

Smith & Chaffey (2013) have described the web by calling it a pull marketing environment where companies use social media to attract customers. Social media, a means of digital marketing, is commonly used by marketers to market and advertise a wide variety of products and services because consumers have started using social media extensively, making it a fast way to reach a large number of people at the same time (Lugmayr, 2012). From consumers' perspective, their online social network helps them seek information about products and read reviews posted by others to help them make better decisions (Berthon, Pitt, Plangger, & Shapiro, 2012). In fact, a study has reported that more than 70 % of consumers across the

world show the inclination to make buying decisions on the basis of feedback from either their social circle or online reviews (Neilsen, 2013). Consumers are definitely disseminating more marketing information by creating electronic word of mouth via social media platforms which thrive on user-generated content (Mahapatra & Mishra, 2016).

Firms try to use this proliferation of social networking to develop digital relationships with their consumers and formulate promotional strategies that lead to a positive e-word-of-mouth. Firms have also traditionally been doing this, the only difference is that in the era of web 2.0, customers can respond to firms quickly and that too with increased visibility (Mangold & Faulds, 2009). On the whole, the development of digital technology has also made a distinct impact on marketing by expanding the quality and quantity of customer data that can be captured, and by doing so it has brought customer relationship into sharper focus by providing deeper insights into customer behavior (Grishikashvili, Dibb, & Meadows, 2014). There is no doubt that social networking sites such as Facebook and Twitter have revolutionized business communication (Levy & Birkner, 2011) and digital marketing techniques, particularly social media, have enabled marketers to individualize marketing communication and get feedback on a one-to-one basis (Brady, Fellenz & Brookes, 2008).

Coming to financial products, marketing these products and services is as it is a difficult task. To market them through social media becomes all the more challenging but it has to be done because, as discussed above, no firm can ignore the digital aspect of customer interface in the present times. The issue with marketing financial products and services is that there are many legal and regulatory aspects along with safety and timeliness considerations that need to be taken into account (Lugmayr, 2012). In addition, while using digital marketing for promoting financial products/services, attention has to be given to the analysis of consumers and the assessment of the effectiveness of marketing and information services of the underlying financial products/services (Lombardi et al., 2011). Furthermore, any framework for social media marketing of financial products and services would require a focus on the social media tools and channels that can be used, assessment of the specific requirements for financial products, measurement of marketing value and effectiveness; and information quality aspects (Lugmayr, 2012).

Despite the fast changing technology, and millennials entering the market for financial products and services, it is perplexing that efforts to market financial products/services digitally are still not showing desired results for marketers. Lack of diffusion of digital mind set is

confirmed by a digital banking report, which has revealed that with regard to digital domain, limited percentage of firms consider themselves as 'pioneers', with larger percentage considering themselves as 'laggards' (Marous, 2019). The same report also revealed that a very small percentage (17%) of firms believe they used digital transformation to 'scale' (Marous, 2019). On the other hand, even from the perspective of consumers' response to digital initiatives, scholars have revealed that developing economies such as India, have continued to be cash-based despite the introduction of various forms of digital payment (e.g., Ligon, Malick, Sheth, & Trachtman, 2019). Given the well-documented benefits of digital payments, it is quite baffling as to why digital payment usage has not diffused in India as anticipated. In terms of other financial products and services also, a BCG report has revealed that only 28% consumers get digitally influenced, and only 23 % end up buying a loan digitally (Shah, Roongta, Avadhani, & Shah, 2018) (see Figure 1.5).

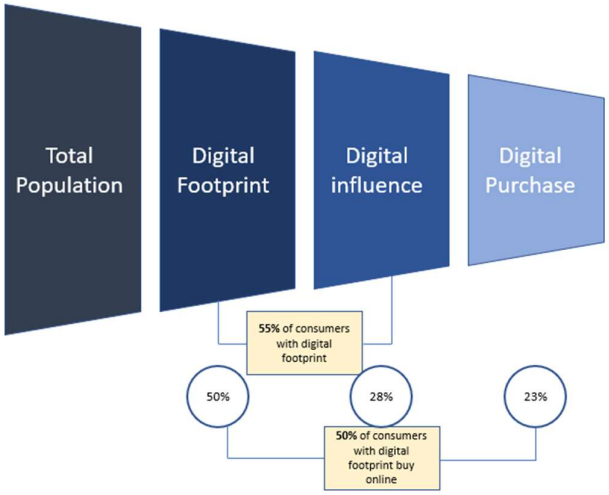

Figure 1.5: Total population to digital purchase

Source: Shah, Roongta, Avadhani, & Shah, BCG Digital lending report (2018)

The case of insurance in India is even more perplexing. Insurers still rely on an exclusive network of intermediaries to handle frontline interactions (Kaesler, Krause, Johannes, & Lorenz, 2020). Confirming this, scholars have revealed that the Indian Insurance market is still primarily driven by the offline agent channel, with online sales contributing only an estimated 16% of overall premiums (Poddar, Kapoor, & Potdukhe, 2019).Even in this low share, majority is contributed by renewal premiums, and first-time insurance sales are largely contributed by

offline sales. On the whole, only 35% of total premiums are paid online (Poddar, Kapoor, & Potdukhe, 2019).

1.2.3 The way ahead

Review of literature reveals that previous studies have examined quite a narrow range of digital innovations and the field is still evolving. Particularly, despite various reports and studies underscoring consumer resistance to financial products/services marketed digitally, no prior studies have examined consumer resistance towards products and services such as insurance, loans and so on. A limited number of studies have examined resistance to mobile payments, internet banking and mobile banking (e.g., Kaur, Dhir, Singh, Sahu, & Almotairi, 2020; Laukkanen, 2016). To address these visible gaps in the literature, the current research proposes to study the resistance of consumers in accepting financial products and services marketed and sold using digital media channels, with theoretical underpinnings of following theories of consumer resistance/adoption behaviour:

a. **Innovation Resistance Theory (IRT)** (Ram & Sheth, 1989): Ram and Sheth postulated that resistance to innovation is driven by two distinct types of barriers – Functional barriers and Psychological barriers. A 'functional barrier' is more likely to arise if consumers perceive significant changes from adopting the innovation. Functional barriers arise from: usage patterns, perceived value, and risks associated with usage of innovation (Ram & Sheth, 1989). On the other hand, the psychological barriers arise from: traditions & norms of the customers, and perceived image. Accordingly, there are five barriers: usage, value, risk, tradition and image.

b. **Diffusion of Innovation Theory (DOI)** (Rogers, 2003): Diffusion is the process by which an innovation is communicated through certain channels over time among the members of a social system. There are four elements of diffusion, namely, the innovation, communication channels, time, and the social system (Rogers, 2003). This theory conceptualizes how technological innovation lead to uncertainty in the minds of potential users' (Rogers, 2003). The key factors theorized by DOI that affect diffusion/adoption of innovation are: relative advantage, compatibility, complexity, trialiability and observability.

c. **Status Quo Bias Theory (SQB)** (Samuelson & Zeckhauser, 1988): This theory suggests that individuals show inertia to change, and prefer to maintain status quo in their decision making process. The status quo so exhibited may be a reason for slow adoption of financial products and services marketed digitally. Such manifestation may be the consequence of:

i. Rational decision making in the presence of transition costs and/or uncertainty (cost of switch may be high, or the uncertainty in switch may not be rationally appealing)

ii. Cognitive misperceptions (individuals can view losses heavier than the gains);

iii. Psychological commitment stemming from misperceived sunk costs (justifying previous decisions), regret avoidance (avoiding to try new decisions so as not to have a regret later), or a drive for consistency (rising of cognitive dissonance between old tested decisions verses new untested ones) (Samuelson & Zeckhauser, 1988).

Based on the above discussion, the present study proposes to identify the barriers that exist towards digitally marketed and sold financial products and services by extending the identified theories (IRT and SQB) to better reflect the current context. Herein, the study proposes to identify and classify relevant barriers into categories based on the three perspectives: consumer, firm and environmental, so as to provide a better understanding of the aspects that should be targeted to overcome a given barrier. In addition, to provide a more robust perspective, the study also proposes to use DOI to better explicate the factors that drive the purchase of financial products and services marketed digitally. This will enable the researcher to evaluate factors driving adoption as well as non-adoption.

Objectives

Specifically, the study aims to pursue the following research objectives that capture three aspects of resistance to toward financial products and services sold digitally, namely consumer-side, firm-side and environment-related. These are:

1. Consumer-side research objectives

RO1.To examine the generic Innovation Resistance Theory (IRT) barriers (usage, risk, value, tradition and image) associated with consumers' resistance toward financial products and services marketed digitally

RO2. To identify and examine additional barriers, other than the generic IRT barriers, that may increase consumers' resistance towards financial products and services marketed digitally, specifically in the light of changing technology within the financial services sector

RO3. To examine whether inertia to change and preference for maintaining the status quo exhibited by consumers drive their resistance to financial products and services marketed digitally

RO4. To examine the Diffusion of Innovation (DOI) factors (relative advantage, compatibility, complexity, trialability and observability) that can lower consumers' resistance toward financial products and services marketed digitally

2. Firm-side research objectives

RO5. To identify and examine on the firm-side barriers that can increase consumers' resistance towards financial products and services marketed digitally

3. Environment-related research objectives

RO6. To identify and examine environment-related barriers that can increase consumers' resistance towards financial products and services marketed digitally

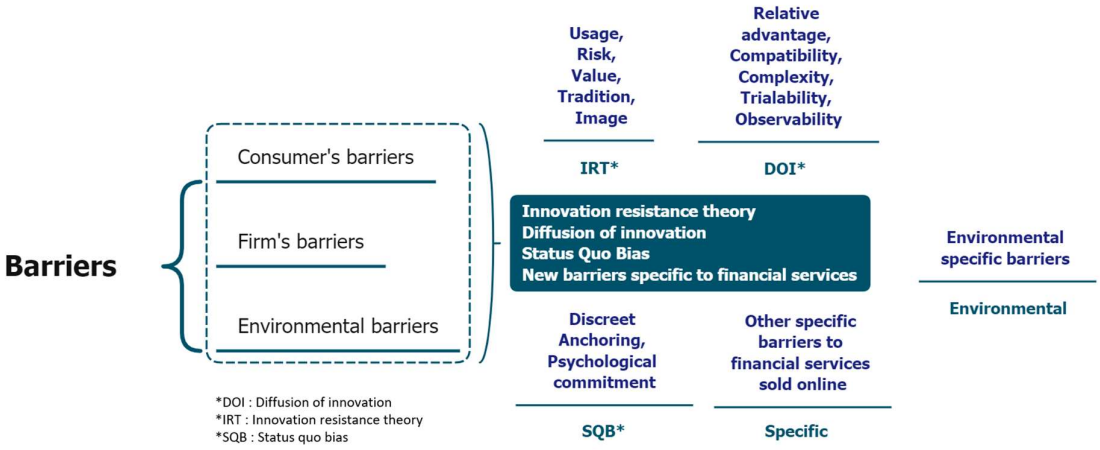

Figure 2.1: Delineation of research objectives

Source: Prepared by the researcher

Research Hypotheses

Null hypothesis for the study

There are various null hypothesis as mentioned below which will be tested.

Null Hypothesis : $H_0 : \rho = 0$

Alternate Hypothesis: $H_a : \rho \neq 0$

ρ is population correlation coefficient calculated from the sample

$(H_0)_1$: Generic IRT barriers (usage, risk, value, tradition and image) are not associated with consumers' resistance toward financial products and services marketed digitally

$(H_A)_1$: Generic IRT barriers (usage, risk, value, tradition and image) are associated with consumers' resistance toward financial products and services marketed digitally

$(H_0)_2$: Barriers related to technological changes within the financial services sector are not associated with consumers' resistance toward financial products and services marketed digitally

$(H_A)_2$: Barriers related to technological changes within the financial services sector are associated with consumers' resistance toward financial products and services marketed digitally

$(H_0)_3$: Inertia and preference for maintaining the status quo are not associated with consumers' resistance toward financial products and services marketed digitally

$(H_A)_3$: Inertia and preference for maintaining the status quo are associated with consumers' resistance toward financial products and services marketed digitally

$(H_0)_4$: The Diffusion of Innovation (DOI) factors (relative advantage, compatibility, complexity, trialability and observability) are not associated with consumers' resistance toward financial products and services marketed digitally

$(H_A)_4$: The Diffusion of Innovation (DOI) factors (relative advantage, compatibility, complexity, trialability and observability) are associated with consumers' resistance toward financial products and services marketed digitally

$(H_0)_5$: Firm-side barriers are not associated with consumers' resistance towards financial products and services marketed digitally

$(H_A)_5$: Firm-side barriers are associated with consumers' resistance towards financial products and services marketed digitally

$(H_0)_6$: Environment-related barriers are not associated with consumers' resistance toward financial products and services marketed digitally

$(H_A)_6$: Environment-related barriers are associated with consumers' resistance toward financial products and services marketed digitally

Research Methods

Research method, whether qualitative or quantitative or a mix of the two, is decided after taking into consideration the research questions (Ghauri & Gronhaug, 2005). The common approach is to seek answers to *why* and *how* questions through qualitative research and, *what, where* and *when* questions (hypothesis testing) (Saunders, Lewis, & Thornhill, 2003) through quantitative research (Maylor & Blackmon, 2005). A combination of both qualitative and quantitative approach, i.e., a mixed-method approach, is often used by scholars to ensure robustness and multi-dimensional evaluation.

Keeping in view the purpose of the present study, a mixed method approach is proposed to be used where qualitative approach will be used to identify the context-specific barriers as well as drivers of the purchase of financial products and services marketed digitally, and the proposed hypotheses will be tested by statistical analysis of quantitative data collected through primary survey of consumers. From the qualitative perspective, since the purpose of this research is to identify barriers as well as drivers to buying financial products and services through digital platforms, expertise is required in two fields, i.e., consumer resistance and digital marketing. Due to this, a panel of six experts (three heads of digital marketing of leading banks and 3 academicians with notable work in area of consumer resistance) is proposed to be interviewed using semi-structured interview process. The semi-structured interview is a common data collection method (Kallio, Pietilä, Johnson, & Docent, 2016). The five-step framework by (Kallio et al., 2016) will be used as a guide to develop the semi-structured interview. Additionally, representative of the target group of consumers will be invited to respond to open-ended essays, which will be analysed to identify barriers and drivers from consumers' perspective.

From the quantitative perspective, cross-sectional data will be collected from the target group in India through structure questionnaire on a five-point Likert scale. Figure 4.1 presents the steps that will be used for developing questionnaire. The method used is guided by the fact that questionnaire design and development must be supported by a logical, systematic and structured approach (Rattray & Jones, 2007). Since the study examines variables conceptualized using three theories, namely, IRT, DOI and SQB, the scales to measure the identified constructs will be developed by adapting existing scales to the present context. Two types of surveys will be prepared, one for barriers and another for drivers. Scales developed

initially will be tested through pilot study with target respondents and expert panel to ensure face and content validity. Feedback from pilot study and experts' observations will be used to modify the initial questionnaire to prepare the final survey for data collection.

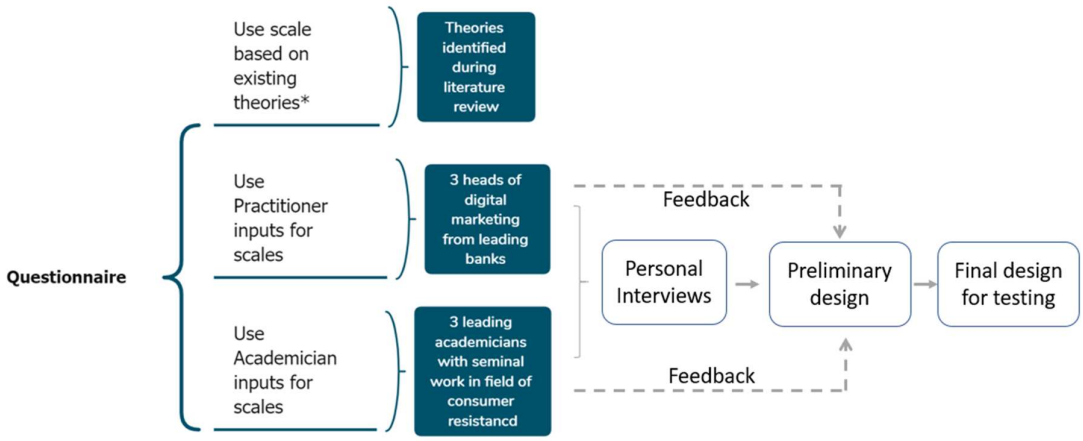
Questionnaire
Use scale based on existing theories*
Theories identified during literature review
Use Practitioner inputs for scales
3 heads of digital marketing from leading banks
Use Academician inputs for scales
3 leading academicians with seminal work in field of consumer resistancd
Feedback
Personal Interviews
Preliminary design
Final design for testing
Feedback

Figure 4.1: Research Methods

*Existing theories: Innovation resistance theory (IRT) (Ram & Sheth, 1989), Diffusion of innovation (DOI) (Rogers, 2003) and Status Quo Bias (Samuelson & Zeckhauser, 1988).
Source: Prepared by the researcher

In addition to adapting the pre-validated scales that will be used to measure the IRT, DOI and SQB variables, scale will be developed to measure other variables representing additional consumer-side, firm-side and environment-related barriers conceptualized by the present study. This is required since no pre-validated scales are available for measuring these barriers. In this regard, the study proposes to self-develop the measurement items by following the scale development approach used by (Placeholder1) The steps that will be followed are:

a) Generate operational description of the additional consumer-side, firm-side and environment-related barriers conceptualized by the present study
b) Generate items to measure each additional barrier through qualitative study and literature review
c) Establish content validity of the generated items through expert opinion and modify the items based on the feedback received
d) Specify the measurement model by identifying the final list of items and determining the Likert scale

e) Pre-test the generated scale with representatives of the target sample for suggestions about the content, lucidity, clarity and ease of understanding of the language of the identified items
f) Prepare the final questionnaire and validate it through 2-3 pilot studies.

4.1 Data and Tools

Since the aim of this research is to understand resistance, which is a manifestation of consumers' behaviour based on certain factors, primary data will be collected through questionnaire surveys (see Figure 4.1). India is selected as geography of interest due to its evolving digital landscape. Financial services in India, including banking services, are at the cusp of a revolutionary change, driven by technological and digital innovations. A rapidly growing number of financial entities and technology firms are experimenting with related technological and financial solutions as well as new products in the financial services field which either modifies the way financial intermediation takes place or leads to disintermediation (Reserve Bank of India, 2017). Despite the noticeable digital transformation in the sector, the adoption of digital mode is limited to entry level products like fund transfers or investments. In comparison, the adoption of loans (at 5.6%) and insurance (7.7%) seems at odd (Consumer International, 2017). Another factor contributing to low diffusion of digitally marketed financial products and services in India is a large unorganized small business sector, which is slow in adopting new digital technologies for financial services. Only 47% of Indian MSMEs have adopted digital tools for business processes and payments, and online sales (digital in accounting, payments, sales) (PricewaterhouseCoopers, 2019). Thus, understanding consumer resistance of Indian consumers in this context would be theoretically insightful and practically useful.

The sample is proposed to be selected on the basis of "convenience sampling" as the potential population is very large and spread over an extensive geographical area (India). The questionnaire survey is preferred as it is cost-efficient, and can be used to reach a large sample in less time. For getting fast responses from different areas, the questionnaire is planned to be administered both offline (paper copy) and online (using google-forms). A sample size of 700 observations (see below for computation), split as 50% offline and 50% online is proposed, along with 50% in tier-1 cities and 50% in tier-2/ tier-3 cities.

For populations that are large, Cochran (1963:75) developed the given equation to yield a representative sample for proportions (Israel, 1992).

$$n_0 = \frac{Z^2 pq}{e^2}$$

At a confidence level of 95%, Z is 1.96, estimated proportion of attribute p at 0.5, and at 4% precision level, the value of sample size is estimated at 600. Thus, a sample of 700 is proposed to be used for the purpose of this research.

To examine the reliability and validity of the constructs, it is proposed to perform a confirmatory factor analysis (CFA) to ensure factors and relevant items measure the desired outcomes.

As a second step, multivariate characteristics of the data will be examined (Linearity, Multicollinearity, Normality and homoscedasticity). If linearity assumptions hold good, covariance-based structured equation modelling (CB-SEM) will be used to analyse the structural path and test the hypotheses. If linearity assumptions don't hold true, Artificial neural network (ANN) approach will be used to identify relationships of interest. A further study using fuzzy set Qualitative comparative analysis (fsQCA) is proposed to be conducted on calibrated data sets to identify multiple paths that can lead to consumer resistance towards digitally marketed financial products and services.

Expected outcomes

It is quite evident that there exists consumer resistance to digitally marketed financial products and services in India. This indicates a need to better understand consumer's behaviour towards digitally marketed/sold financial products and services, including but not limited to barriers towards their adoption, so that bottlenecks can be removed from what otherwise will be one of the greatest growth stories in banking and financial services companies in the next decade.

There exists a visible gap in the academic research on consumer resistance to financial products and services marketed digitally, since the accumulated literature has remained confined to examining consumer resistance to digital financial products and services such as mobile payments. However, there is a paucity of research on barriers constituting resistance as well as drivers of adoption of financial products and services that are marketed/sold digitally through online interface but experienced/used in offline settings, the so called 'online-to-offline model (O2O). The present study addresses the gap in research by using the theoretical lens of Innovation resistance theory (IRT), Status Quo Bias theory (SQB) and Diffusion of Innovation theory (DOI) to identify the barriers that constitute consumer resistance digitally marketed/sold financial products and services as well as the drivers of their adoption. The expected outcomes/benefits of the present study may be bifurcated into two distinct parts:

(a) Outcomes for advancement of future research and theory

Examination of novel variables

The study will contribute to advancement of research in the area by examining hitherto un-explored variables and associations in the identified context of financial products and services that are marketed/sold digitally. In this regard, the study proposes to examine drivers of consumer resistance and purchase intentions towards toward financial products and services marketed digitally. Herein, the study proposes to examine variables related to three aspects:

Consumer-side: Generic IRT barriers (usage, risk, value, tradition and image) associated with consumers' resistance toward financial products and services marketed digitally, additional barriers, over and above the generic IRT barriers, associated with consumers' resistance toward financial products and services marketed digitally, specifically in the light of changed technology within the financial services sector, the extent of inertia to change and preference for maintaining the status quo exhibited by consumers that may cause them to resist financial

products and services marketed digitally, DOI factors (relative advantage, compatibility, complexity, trialability and observability) that may lower consumers' resistance toward financial products and services marketed digitally.

Firm-side: Barriers that exist on the firms' side that cause consumers to resist financial products and services marketed digitally? How can these barriers be classified?

Environment-related: Barriers that exist due to the external environmental factors, including regulatory aspects, that cause consumers to resist financial products and services marketed digitally.

By uncovering these novel constructs, the study will lay foundation for future researchers to contribute toward further enrichment of accumulated learning in the area.

Theoretical advancement

The study will also contribute towards the advancement of the three seminal theories, IRT, SQB and DOI, by extending them in two ways:

(a) Using the theories to explain the underlying variables in new context (digital as well as financial products). By doing so, the study will reinforce the contemporary relevance of theories initially conceptualized in offline contexts.

(b) Extending the theories beyond their classic propositions by identifying newer variables to fit the same conceptualization. For instance, financial products and services-specific barriers will be identified to examine consumer resistance in addition to the five generic-IRT barriers.

(b) Outcomes for practice and policy-making

The study of consumer resistance is very important for the practice as the failure of innovations to diffuse has tremendous implications in terms of the organizational well-being and competitive standing (Hess, 2009). The proposed research anticipates to reveal several positive outcomes for practice and policy-making:

The study proposes to examine the causes of consumer resistance and motivation to buy digitally marketed financial products and services. By identifying the perceived barriers of consumers towards digitally marketed financial products and services, the proposed study wil provide inputs to the managers about the perceptions of consumers that increase their resistance in this context. Such inputs can provide the firms selling financial products and services valuable insights into the steps that can be taken to increase the diffusion of financial products

and services by marketing them online. The findings of the present study can, therefore, be expected to help the associated firms develop effective actionable strategies that can be deployed to lower the consumer-side barriers. Furthermore, by revealing the relative influence of the barriers, the findings can help the associated firms identify the critical barriers that need to be addressed more aggressively, as compared to others.

The study also proposes to identify firm-side barriers specific to financial services industry in improved technological environment, underscoring the fact that firms themselves may inadvertently or knowingly introduce barriers that may hinder better diffuse of digitally marketed financial products and services. By revealing the existence of such barriers and their impact on consumer resistance, the study will provide inputs that can improve firms' owning decision-making and related process, thereby helping them to better engage with consumer in the digital milieu.

Finally, by identifying factors in the external environment that exacerbate consumer resistance to digitally marketed financial products and services, including the regulatory aspects, the present study will provide useful inputs for the policy-makers committed to advancing digital transformation of the sector. For instance, an understanding of how various regulations have negative effect on consumers' response to digitally marketed financial products and services, the policy-makers can seek to modify various provisions to create a more positive yet secure environment for such transactions.

The present study proposes to examine an issue which is significant from both, the theoretical as well as the practical perspective. However, as with any other research effort, the contribution of this study may be seen in the context of certain limitations. The expected outcomes/benefits of the study may be assessed in the light of the following limitations:

(a) The study is based on analysis of data collected from a single country, India, and that too from the urban population in India. Thus, the findings may not be generalizable to other countries or rural population in India. However, the conceptual model proposed by the present study will include multiple aspects of consumer resistance to financial products and services marketed digitally, therefore, the model can be replicated easily by future researchers in multiple contexts.

(b) The study is based on cross-sectional survey, where data will be collected through a single instrument. With the result, there exists the potential threat of common method bias. To

encounter this, all due procedural precautions will be taken at the questionnaire design and data collection level. Once the data is collected, it will be tested for the same using the recommended test.

(c) The conceptual model is based on three broad type of barriers, namely, consumer-side, firm-side and environment-related barriers. There may exist multiple other barriers that may affect consumer resistance toward buying financial products and services marketed digitally. However, the present study covers a large spectrum of barriers which will enable it to make meaningful theoretical contribution and provide useful practical implication. Inclusion of more barriers can expanded the scope of the study beyond manageable level.

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